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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

February 11, 2015

Patrick E. Sovereign  
Pisgah Grazing, LLC  
701 North 44<sup>th</sup> Street  
Phoenix, Arizona 85008

Subject: Review of Amended Notice of Intention to Commence Small Mining Operations, Pisgah Grazing, LLC, BHY Mine, S/005/0003, Cache County, Utah

Dear Mr. Sovereign:

The Division of Oil, Gas and Mining has reviewed the amended Notice of Intention to Commence Small Mining Operations (Notice) for the BHY mine. This amendment changes the name of the mine from BHY to BHT and the operator name from Pisgah Properties to Pisgah Grazing, LLC.

The MR-REV-SMO/EXP form submitted with the proposal needs to be signed by an authorized individual of Pisgah Grazing, LLC. or, alternatively, Paxton, Inc. needs to be registered with the Utah Division of Corporations to do business in the State. The Division has received documentation showing you can sign for Paxton, Inc.

The reclamation surety for this mine needs to be increased from \$25,200.00 to \$29,500.00. This is based on information in the following table:

<b>5-year escalation (2019)</b>		<b>Old Unit</b>	<b>New Unit</b>	
<b>Item</b>	<b>Qty</b>	<b>Costs</b>	<b>Costs</b>	<b>Total Cost</b>
1st Acre Disturbance	1	\$7,600.00	\$8,300.00	\$8,300.00
Add'l Acres Disturbance	4	\$4,400.00	\$5,300.00	\$21,200.00
<b>TOTAL</b>				<b>\$29,500.00</b>

Please submit the increased amount of \$4300.00 no later than March 31, 2015. The current surety is in the form of cash on deposit through the Utah State Treasurer in Zions Bank. You may submit additional cash, or you may submit a surety bond, a letter of credit, or a certificate of deposit, either for the increased or full amount. Please contact Penny Berry at 801-538-5291 for additional information about submitting the surety.

Because the operator name is changing, the Division also needs to receive a new reclamation contract. A copy of this form is enclosed, and it can also be found on the Division's web site at [https://fs.ogm.utah.gov/PUB/MINES/Minerals\\_Related/FORMS/MR-RC-SMO.pdf](https://fs.ogm.utah.gov/PUB/MINES/Minerals_Related/FORMS/MR-RC-SMO.pdf).

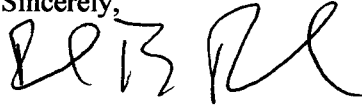
Once these items have been resolved, the Division will issue final approval of the requested changes. Please note that the Division will address separately any issues associated with the recently submitted Notice of Intention to Conduct Exploration.



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Thank you for your cooperation in resolving these issues. In reply, please refer to file number S/005/0003. Please contact Lynn Kunzler at 801-538-5310 or me at 801-538-5261 if you have questions or concerns regarding this letter.

Sincerely,

A handwritten signature in black ink, appearing to read 'PB Baker', written in a cursive style.

Paul B. Baker  
Minerals Program Manager

PBB:lk:pb

Enclosure: Reclamation Contract Form

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